

Glenn R. Bronson (7362)  
GRBronson@traskbritt.com  
James C. Watson (13395)  
JCWatson@traskbritt.com  
TRASKBRITT, PC  
230 South 500 East, Suite 300  
Salt Lake City, UT 84102  
Tel: (801) 532-1922  
Fax: (801) 531-9168

Anthony R. Zeuli (*Pro Hac Vice*)  
TZeuli@merchantgould.com  
Eric R. Chad (*Pro Hac Vice*)  
EChad@merchantgould.com  
Karen L. Beckman (*Pro Hac Vice*)  
KBeckman@merchantgould.com  
Peter S. Selness (*Pro Hac Vice*)  
PSelness@merchantgould.com  
MERCHANT & GOULD P.C.  
2200 Fifth Street Towers  
150 South Fifth Street  
Minneapolis, MN 55402-4247  
Tel: (612) 332-5300  
Fax: (612) 332-9081

*Attorneys for Plaintiffs*

---

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

CRYSTAL LAGOONS U.S. CORP. AND  
CRYSTAL LAGOONS TECHNOLOGIES  
INC.,

Plaintiffs,  
vs.  
CLOWARD H2O LLC,  
Defendant

**PLAINTIFFS' ANSWER TO  
DEFENDANT CLOWARD H2O LLC'S  
COUNTERCLAIMS**

Case No. 2:19-cv-00796-BSJ  
District Judge Bruce S. Jenkins  
JURY DEMANDED

Plaintiffs and Counter-defendants Crystal Lagoons U.S. Corp. and Crystal Lagoons Technologies Inc. (“Crystal Lagoons”) hereby file their Answer to the Counterclaims filed by Defendant and Counterclaimant Cloward H2O LLC (“Cloward”). All allegations of the Counterclaims are hereby denied unless specifically admitted, qualified, or otherwise answered. Crystal Lagoons answers as follows:

1. Crystal Lagoons admits that Cloward’s counterclaims purport to arise under the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202. Crystal Lagoons denies the remaining allegations of this paragraph.
2. Crystal Lagoons lacks information sufficient to form a belief as to the truth of the allegations included in this paragraph and therefore denies the same.
3. Admitted.
4. Admitted.
5. Admitted.
6. Admitted as to specific jurisdiction regarding the subject matter of the Counterclaims. Crystal Lagoons denies the remaining allegations of this paragraph.
7. Admitted.
8. Admitted.
9. Crystal Lagoons admits that Cloward denies infringement of the Asserted Patents but denies that Cloward does not infringe. Crystal Lagoons denies the remaining allegations of this paragraph.

## **FIRST COUNTERCLAIM**

### **DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '514 PATENT**

10. Crystal Lagoons repeats and re-alleges its answers as set forth in foregoing Paragraphs 1-9 above as if set forth in full herein.
11. Denied.
12. Denied.
13. Admitted.
14. Denied.
15. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

## **SECOND COUNTERCLAIM**

### **DECLARATORY JUDGMENT OF INVALIDITY OF THE '514 PATENT**

16. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-15 as if set forth in full herein.
17. Denied.
18. Admitted.
19. Denied.
20. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

### **THIRD COUNTERCLAIM**

#### **DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '520 PATENT**

21. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-20 as if set forth in full herein.

22. Denied.

23. Denied.

24. Admitted.

25. Denied.

26. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

### **FOURTH COUNTERCLAIM**

#### **DECLARATORY JUDGMENT OF INVALIDITY OF THE '520 PATENT**

27. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-26 as if set forth in full herein.

28. Denied.

29. Admitted.

30. Denied.

31. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

## **FIFTH COUNTERCLAIM**

### **DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '822 PATENT**

32. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-31 as if set forth in full herein.

33. Denied.

34. Denied.

35. Admitted

36. Denied.

37. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

## **SIXTH<sup>1</sup> COUNTERCLAIM**

### **DECLARATORY JUDGMENT OF INVALIDITY OF THE '822 PATENT**

38. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-37 as if set forth in full herein.

39. Denied.

40. Admitted.

41. Denied.

42. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

---

<sup>1</sup> Cloward referred to its Counterclaim for invalidity of the '822 patent as its “Second Counterclaim.” (Dkt. No. 99 p. 23.) As it is sequentially the sixth Counterclaim, Crystal Lagoons believes this was the result of clerical error.

## **PRAYER FOR RELIEF**

Crystal Lagoons denies that Cloward is entitled to any judgment or relief, and denies all allegations contained in Cloward's prayer for relief. Crystal Lagoons further seeks an award of costs and attorneys' fees and other expenses incurred in defending against the counterclaims and affirmative defenses asserted in Cloward's Answer and Counterclaims.

## **JURY DEMAND**

Crystal Lagoons acknowledges Cloward's demand for a jury trial and similarly requests a trial by jury on all claims and issues so triable.

## **AFFIRMATIVE DEFENSES**

Crystal Lagoons, for its affirmative defenses, states as follows:

### **FIRST AFFIRMATIVE DEFENSE – FAILURE TO STATE A CLAIM**

Cloward has failed to state a claim upon which relief can be granted.

### **SECOND AFFIRMATIVE DEFENSE – NO DECLARATORY JUDGMENT**

Cloward is not entitled to any declaratory judgment.

## **RESERVATION OF RIGHTS**

Crystal Lagoons hereby reserves its right to supplement with additional defenses as discovery proceeds in this matter.

Date: March 9, 2021

By: /s/ James C. Watson  
James C. Watson (13395)  
JCWatson@traskbritt.com  
Glenn R. Bronson (7362)  
GRBronson@traskbritt.com  
TRASKBRITT, PC  
230 South 500 East, Suite 300  
Salt Lake City, UT 84102  
Tel: (801) 532-1922  
Fax: (801) 531-9168

Anthony R. Zeuli (*Pro Hac Vice*)  
TZeuli@merchantgould.com  
Eric R. Chad (*Pro Hac Vice*)  
EChad@merchantgould.com  
Karen L. Beckman (*Pro Hac Vice*)  
KBeckman@merchantgould.com  
Peter S. Selness (*Pro Hac Vice*)  
PSelness@merchantgould.com  
MERCHANT & GOULD P.C.  
2200 Fifth Street Towers  
150 South Fifth Street  
Minneapolis, MN 55402-4247  
Tel: (612) 332-5300  
Fax: (612) 332-9081

*Counsel for Plaintiffs Crystal Lagoons US Corp  
and Crystal Lagoons Technologies Inc.*